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ABSTRACT

In the wake of an extensive strategic planning process that refocused institutional values at Northland College, Wisconsin, the administration undertook linking the budget with the newly articulated plan. Incremental budgeting was no longer feasible, and the new budget would have to reflect streamlining and new ways of functioning. Consequently Business Process Redesign and Continuous Quality Improvement processes were selected as guides. In the summer the president invited all faculty and staff to participation in upcoming deliberations. Following preliminary summer work, 14 cross-functional teams were formed to review in greater depth key processes and functions that might improve the budget and the overall quality of students' Northland experience. Throughout the fall work of teams proceeded quickly. About 90 percent of faculty and staff members were on one team or another. The most important changes emerged from the Program Review team which recommended dropping several concentrations within academic programs along with several courses. Other recommendations from other groups emerged and are being considered including a first year extended academic orientation course taught by faculty advisors. In the end a list of 14 mandates emerged from team and review committee work. Overall, the process increased understanding of all college systems, increased personal investment in coming change, and created a stronger and better institutional focus. (JB)

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LINKING PLANNING AND BUDGETING THROUGH BUSINESS PROCESS REDESIGN

North Central Association of Colleges and Schools Annual Meeting
Marianne E. Inman*
Northland College; Ashland, Wisconsin
March 1995

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In spring 1994 Northland College faculty and staff members concluded an extensive strategic planning process, resulting in revised statements of mission and institutional values, a presidential vision, and a forward-looking plan focusing on academic excellence and intellectual climate, outreach to the community and the region, student development and enrollment, and building a strong college community. The plan addresses centrally our continuing attention to defining our distinctive liberal arts and environmental mission and to designing and delivering programs that integrate these two emphases within our curriculum. Following completion of the strategic plan, Northland undertook the massive project of linking budgeting with our clearly articulated plan. Because it was clear that incremental budgeting, which had been the norm, was no longer feasible and that the budget for FY96 that emerged from this process would need to reflect considerable streamlining and new ways of functioning, we looked to the strategies of Business Process Redesign and Continuous Quality Improvement as guides for our work.

Over the summer, the college's need to engage in these processes was communicated throughout the campus community both orally and in writing. A long and detailed letter from the President was sent to every faculty and staff member early in the summer outlining the nature of our challenge and inviting everyone's participation in the deliberations in the months to come. Early in June the Continuous Quality Improvement Steering Committee participated in a two-day workshop introducing us to many of the group process techniques that can be most helpful in redesigning and improving processes and products on campus. During the summer, then, a core Planning and Budgeting Team of 40 persons met twice to receive extensive statistical and other background information and to begin to identify the key areas on which to focus attention. Subcommittees were formed after the first day-long session, and members met with some

frequency before the second session was held six weeks later. At that time a number of specific recommendations from each subcommittee were made that members felt had the potential to either reduce expenditures or enhance revenues. Improved student retention and greater efficiencies in operation were broad categories that surfaced in most groups.

Following this preliminary summer work, 14 cross-functional teams were formed to review in greater depth key processes and functions that had the greatest potential to have a positive impact on the budget and on the overall quality of the Northland experience for students. These teams were augmented by a Technology Team, comprised of campus experts in electronic technology to support both academic and administrative applications, and by two existing representative bodies, the Academic Council and the Faculty Welfare and Review Committee. The Academic Council, in turn, referred their task to the Program Review Team, a subgroup of the council that had met regularly over the past three years as reviews of all academic programs had taken place. Each group received a charge from the President and the timeline on which work was to be completed--less than four months! Overseeing the process was another representative group, the Executive Steering Committee, who received progress reports from the various BPR (Business Process Redesign, or, as they have come to be known, "beeper") teams and who have addressed process issues and problems as they arose. This is the group that received all the BPR teams' final recommendations and the one that has been tasked with prioritizing those recommendations so that the financial goals for a balanced budget are met.

During December and January the Steering Committee met regularly and frequently, as did senior administrative staff members, in order to conduct extensive and intensive reviews of each functional area of the College in a process similar to that which the Program Review Team undertook to examine anew all academic programs. In mid-December a campus-wide meeting was held to review the rationale for the BPRs, the budget assumptions on which the work was based, committee and team processes, and results and recommendations to date.

All fall the work of these teams proceeded swiftly. Most committees met weekly, and some, such as the Program Review Team, met daily over a two-month period in order to conclude their work by the December deadline. Tremendous levels of energy and creativity were evident across the campus. Approximately 90% of faculty and staff members were on a BPR or other review team. Almost every team included student representatives as well. The tasks were highly diverse, ranging from Personnel Contracting or Early Retirement to Donor Acknowledgment, Student Retention, or Faculty Workload.

To date the Program Review recommendations have had the most significant campus impact, as the task of that group was to "streamline curriculum" and "reduce faculty cost." Supported by extensive historical enrollment data and other statistical measures provided by the Office of the Registrar, the Program Review Team recommended dropping several concentrations within academic programs along with a number of "nice to have" but "not essential" courses, often taught by adjunct faculty members. No program was eliminated altogether, and the faculty in each program were asked to make their own recommendations to the Team. The spirit of cooperation was very helpful and made the work of the Team a very collegial effort. While faculty members were not, of course, pleased with the reductions, they recognized the necessity for them, participated fully in the process, and have come to accept the changes envisioned.

Recommendations from other groups that are currently being considered are a first year extended academic orientation course taught by faculty advisors, The Northland Seminar, and the requirement for first year students of our existing offering Introduction to Environmental Studies, a course that is team taught by a biologist, a sociologist, and an environmental philosopher. These two experiences are designed to be totally consistent with Northland's mission and will, we hope, provide the kind of bonding with the college that correlates positively with retention. Also on the drawing board is a senior capstone experience to round out students' academic program and to constitute a critical element in Northland's assessment plan.

In order to accomplish these additional tasks with the resources of the current faculty, the Welfare and Review Committee is considering a new approach to calculating faculty work load. This system would be based on credit hour production rather than on numbers of courses or credits. In a nutshell, faculty members would each be expected to generate an "average" number of credit hours. Those who generated credit hours beyond the average would be able to "bank" them toward future sabbatical leave time, while those who generated fewer credit hours than the average would be expected to assume additional responsibilities, including teaching additional courses. There is also, under this plan, provision for credit units for substantial administrative or service work in addition to those generated by teaching. The net result of this plan as projected is to increase faculty productivity and reduce faculty cost by eliminating most adjunct positions and overload payments. An added advantage is the prospect of a sabbatical leave, a benefit that Northland College faculty have not yet enjoyed.

Other types of savings included reductions in time for selected staff members, not replacing staff or faculty members who will be on leave next year, consolidating the staffing between functionally related and contiguous offices, and replacing some print media with electronic access. In the area of revenue enhancements, recommendations included expanding our summer school offerings, charging fees for certain academic and student life services, and anticipating additional revenues from programs offered through Northland's Lifelong Learning Center.

Following approval of the final budget by the Board of Trustees in late January, the Northland community will move ahead with further work by the BPR Executive Steering Committee and the Strategic Planning Team. The tasks of these groups will involve assessing progress to date towards achieving goals within the strategic plan, adjusting the plan as appropriate, and projecting the plan to 2001 based on current and new assumptions.

Through this planning and budgeting process, a variety of ideas and suggestions have surfaced which members of senior staff and the Steering Committee believe, if pursued and

implemented, will contribute to fulfilling Northland's mission and achieving fiscal stability. The following "mandates" became very clear as the BPR teams and review committees concluded the first phases of their work:

1. Implement plans for student success and retention as recommended by the Retention and New Student Services Committees.

2. Redesign the environmental curriculum as proposed in the Strategic Plan and by the Program Review Team.

3. Plan pilot "Center(s) for Environmental Solutions" as sketched in the Strategic Plan.

4. Restructure campus decision-making so as to increase campus-wide participation, streamline bureaucracy, and enhance communication. There is clear consensus that the current practice of using the President's Staff as the ultimate decision-making body of the College will move to a College Council format, a group which would add faculty and staff members and a student representative to the senior administrative staff in order to guide the College in a much more broadly based fashion.

5. Redefine, rethink, and redesign administrative and infrastructure systems and approaches.

6. Redefine, rethink, and redesign academic programs and all services delivered to students.

7. Reevaluate what outreach programs Northland can realistically offer and sustain in response to the region's needs.

8. Determine how academic tenure, staff contracts, and early retirement can work for Northland College.

9. Update the campus facilities master plan.

10. Update and articulate a comprehensive plan and timeline for technological advances on campus.

11. Plan the next phase of the comprehensive campaign.